

Position on innovation

Key messages

- BASF calls for regulation that rewards, drives, and encourages sustainable innovation.
- Important Projects of Common European Interest (IPCEIs), sandboxes and experimentation clauses should be increasingly used to enable system innovations and to build internationally competitive value networks.
- Cooperation across institutions, disciplines and sectors should be promoted and strengthened to encourage translation of knowledge into technological advances and innovation.

About the topic

New, resource-efficient solutions and business models are needed to decouple growth from the consumption of finite resources and to transform towards a circular low-emission economy. Supplying a growing global population with food, energy, and clean water, making the best use of limited natural resources, and protecting our climate are among the greatest challenges of our time, and innovations play a pivotal role in addressing these.

What does BASF offer?

Every year, BASF invests more than €2 billion in research and development. Approximately 10,000 highly qualified and specialized employees in research and development continuously work on new products for customers in nearly every industry to meet the current and future needs of society. In 2020, BASF generated sales of around €10 billion with products that were launched on the market in the past five years and stemmed from its research and development activities. Our global network of outstanding universities, research institutes, companies and start-ups constitute an important part of our Know-How Verbund. Eight academic research alliances bundle cooperations with around 250 universities and research institutes as well as collaborations with a large number of companies in a geographic region or with a specific research focus – [more information is available here](#).

Our position

Innovations start from unmet market needs and customer demand as well as from new scientific knowledge. But political framework conditions also heavily impact our ability to innovate, and we are experiencing a European society that wants to be more involved. At the same time, the pressure for innovations is increasing in international competition.

1. Important areas of innovation for BASF include breakthrough technologies for low-emission production (**Carbon Management**), a circular economy with the aim to improve resource utilization along the entire value chain (**ChemCycling™**) and **battery materials** for electromobility. We also see great innovation potential in the digitalization of processes and research. Furthermore, we are researching solutions for innovative products for seeds and traits, digital farming, and crop protection.
2. The political framework must allow innovations to be tested and tried out in practice.
3. BASF needs skilled workers: Outstanding scientists who must also be equipped with digital skills in their education.
4. Openness for innovation, a culture that rewards innovation and an innovation-friendly regulatory framework are prerequisites for our future capacity to innovate.
5. Only in a dialog with society can we awaken an understanding for new innovations and create innovative solutions for tomorrow's societal requirements. This requires policy-led dialogue platforms.